

“TELEPHONIC” BOARD MEETING MINUTES
STATE TRANSPORTATION BOARD
9:30 a.m., Monday, September 12, 2005
Arizona Department of Transportation (ADOT)
Director’s Office, Room 135
206 South 17th Avenue
Phoenix, Arizona 85007

The State Transportation Board met in official session for a “telephonic” Board meeting at 9:30 a.m., Monday, September 12, 2005, with Vice Chairman Dick Hileman presiding. Other Board members participating included: Delbert Householder, Joe Lane, Jim Martin, Bob Montoya and Si Schorr. Dallas Gant was absent. Also participating were, David Jankofsky, Deputy Director, Dale Buskirk, Director, Planning Division; Sam Elters, State Engineer; Ron Aschenbach, AG’s Office and Sally Stewart, ADOT.

CONSTRUCTION CONTRACTS

Non-Interstate Non-Federal Aid Projects

BIDS OPENED:	August 12
HIGHWAY:	RED MOUNTAIN FREEWAY (SR 202L)
SECTION:	Higley Road to Power Road
COUNTY:	Maricopa
ROUTE NO.:	SR 202L
PROJECT:	RAM-202-B-511 202 MA 021 H578104C
FUNDING:	99% State 1% City of Mesa
LOW BIDDER:	Recon, Inc.
AMOUNT:	\$ 1,754,523.40
STATE AMOUNT:	\$ 1,777,353.40
\$ UNDER:	\$ 22,830.00
% UNDER:	1.3%
NO. BIDDERS:	4
RECOMMENDATION:	AWARD

Mr. Elters presented this item.

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Schorr and passed unanimously.

Non-Interstate Non-Federal Aid Projects

BIDS OPENED:	August 26
HIGHWAY:	SHOW LOW-MCNARY-EAGAR HIGHWAY (SR 260)
SECTION:	SR 260 at Milepost 342
COUNTY:	Navajo
ROUTE NO:	SR 260
PROJECT:	S-260-C-506 260 NA 342 H619401C
FUNDING:	100% State
LOW BIDDER:	Pueblo West Contracting, LLC
AMOUNT:	\$ 526,740.15
STATE AMOUNT:	\$ 407,860.00
\$ OVER:	\$ 118,880.15
% OVER:	29.1%

NO BIDDERS:

3

RECOMMENDATION:

Reject all bids and re-advertise project.

COMMENTS:

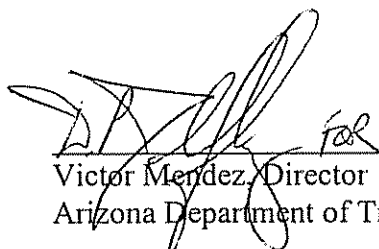
The low bidder was not aware of the geotechnical report. The second low bidder was aware of the geotechnical report. The geotechnical report indicates the presence of rock. One bidder submitted a bid not expecting rock. The other bidder submitted a bid with the knowledge of rock. Therefore, the State Engineer does not believe that there was informed, free, open and competitive bidding on a common basis as is required in ARS Section 28-6923.

Mr. Elters explained that this item is in Show Low on SR 260. It is a drainage related project. There is a unique situation. Three bids were received. Pueblo West Contracting was the apparent low bidder at \$526,000. Show Low Construction is the second low bidder at \$619,687 and Hayden Building is the third at \$669,995. There was a geotechnical report prepared and distributed, however the group at CNS did not receive a copy. When Pueblo West Contracting picked up a copy of the plans, they ordered it by mail and when they received it they asked if there was a geotechnical report. They were told by CNS that there wasn't one because they did not have it in their possession. In the meantime, Show Low Construction, the second low bidder, contacted the district and the resident engineer who had a copy of the geotechnical report and shared it with Show Low Construction. The geotechnical report contained language referencing possibility of rocks on site in two separate locations so they had information that the apparent low bidder did not. This item has been discussed internally with the staff and with the Attorney General's Office. There is concern with the distribution with the geotechnical report it was not even. There is intention to deal with that, we could not, in fair conscious, recommend award of this project understanding this condition and knowing that the apparent low bidder did not have the information necessary to make a reasonable bid. It's with that understanding that we are recommending you reject all bids and we will re-advertise the project. In answer to a question, Hayden Building did not have the information regarding the geotechnical report either. Show Low Construction was the only one that had that information. The distribution and the cause will be looked into to prevent this challenge from reoccurring. A question was asked about whether the geotech report was taken into consideration on the state estimates. Since there was no access to the report, the answer was no, it was not taken into consideration.

Board Action: A motion to reject all bids and re-advertise the project was made by Mr. Schorr, seconded by Mr. Montoya and passed unanimously.

Board Action: A motion to adjourn was made by Mr. Schorr, seconded by Mr. Martin and passed unanimously.

The meeting adjourned at 9:45 a.m.



Victor Mendez, Director
Arizona Department of Transportation



Dallas Gant, Chairman
State Transportation Board

**MINUTES OF THE
STATE TRANSPORTATION BOARD MEETING
9:00 a.m., Friday, September 23, 2005
Lake Havasu City Police Dept.
2360 McCulloch Blvd.
Lake Havasu City, Arizona 86403**

The State Transportation Board met in official session for a Board meeting at 9:00 a.m., Friday, September 23, 2005, with Chairman Dallas Gant presiding. Other Board members present included: Dick Hileman, Delbert Householder, Joe Lane, Jim Martin, Bob Montoya and Si Schorr. Also present were Director Victor Mendez; David Jankofsky, Deputy Director; Sam Elters, State Engineer; John McGee, Chief Financial Officer, Administrative Services Division; Kim Stevens and Dale Buskirk, Director, Planning Division. There were approximately 45 people in the audience.

OPENING REMARKS AND PLEDGE

Chairman Dallas (Rusty) Gant led the audience in the Pledge of Allegiance and thanked Lake Havasu City for their excellent hospitality. Dignitaries in the audience were introduced.

DISTRICT ENGINEER REPORT

Acting District Engineer for Lake Havasu City, Mike Kondelis, provided an update on projects and issues of regional significance. On US 93, there is an implementation plan that serves as a blue print for development of that corridor. On the South US 93 implementation plan, it includes three sections, Wikieup to I-40, Santa Maria to Wikieup and Wickenburg to Santa Maria. US 93 north also has been added. Two major active projects include the Burrow Creek Project and is about 70 percent complete with most of the effort on the bridge. The second project is the old US 93 to Antelope Wash. That is the first project in the northern section of the corridor from Wikieup to I-40 and is about 50 percent complete. A smaller project just finished is Wikieup's Streets project. The ultimate project is a bypass around the Westside of the Town of Wikieup and the last project in the corridor. Farther north on US 93 at Hoover Dam, the bypass project is well underway. The Arizona approach is complete and the Nevada approach is nearly complete with minor bridge work left. The project is on schedule to complete in the summer of 2008. South of Hoover Dam, there is 15 miles of two lane road, broken into four projects for implementation. Three are funded for design with the first being this year and one is funded for construction in 2010. Total estimated construction cost for those four projects is \$65 million. On the Santa Maria to Wikieup section, widening to four lanes is 80 percent complete. Two outstanding projects are the Burrow Creek Project and the Cottonwood Canyon Bridle Creek Project north of the Santa Maria River. On the Wikieup to I-40 section, the first project is the Antelope Wash/old US 93 project with 40 percent of those projects in that section funded for design, 35 percent funded for construction in the five year plan and 25 percent of the \$196 million required to complete that stretch is available for use at this point. There was talk and evaluation of the possibility of a new alignment for State Route 95 that would connect I-40 to State Route 68 north of Bullhead City. There is a joint project between BLM, Mohave County and ADOT. The first phase, the feasibility study was completed in May 2005. The product of that study was to recommend a preferred corridor for the realignment and the next phase is the preparation of a design concept report and environmental documents. With the help of Bullhead City and Mohave County, the study will be done by December. Another project in the district is on I-40, the Rattlesnake Traffic Interchange approximately three miles

east of Kingman. They are proceeding with developing the scope of work for the design concept report and the environmental documents for the project, working with the City of Kingman for a letter of intent to outline the project of agreement. Mr. Kondelis recognized maintenance projects.

CALL TO AUDIENCE

Brad Bixler, Manager, Mohave County Senior Programs, Board member of the Arizona Transit Association and President, Arizona Senior Center Association discussed the 5310 program in Mohave County. They have 32 vans for seniors. He noted the seven pilot projects for funding out of T21 were 5310 programs will now have operations funding. Only three states have been selected and Arizona was not one of them. Because of the amount of winter visitors, we could be a pilot project. He started providing training for senior citizen drivers at the senior centers at the annual conference and would like to team with ADOT to help provide their training at the conference to train more senior drivers.

Debra Casson, Assistant Engineer, City of Kingman, thanked ADOT for the support of the Rattlesnake Wash Traffic Interchange. She spoke in support of Item 7, the HELP Loan item for North Bank Street Reconstruction and Item 20, the Andy Devine Traffic Interchange project. She discussed the new safety, new funding and the number of counties, cities and tribes that are utilizing the funds for projects in the area. Only 2 ½ projects are able to be funded in the area each year and would be appreciative if some of the funds could be filtered to the rural area.

Mark Clark, Transportation Division Manager, Lake Havasu City, introduced Transit Supervisor Gary Parsons. One of the challenges that Lake Havasu City is facing is this year's budget included approximately \$600,000 of general fund support for the City and that is getting to be a drain on the budget. To address that, they are partnering with ADOT on a transit study to examine how they are doing business now and should they shift to a fixed route modified system. In 2010, that will change the transit funding formula and it may not mean more money to Lake Havasu. There are four new council members and a new mayor. He thanked ADOT for the completion of the \$20 million widening project through town about a year and a half ago, and a multiuse path. And thanked ADOT in advance for a future climbing lane project scheduled for North of town in a couple of years and a landscaping project scheduled for bid in a couple of months. The coordination plan is working well.

Ingo Radicke, discussed US 60, the final phase into Superior and the need for \$10 million. Congressman Renzi provided \$3 million in the reauthorization bill. ADOT is making excellent progress on SR 260 between Payson going east toward Show Low. SR 87 from Payson to Pine needs major widening. He mentioned the SR 188 Roosevelt Road dedication.

Dave Barber, Deputy Director, City of Kingman, provided a brief overview of his transportation program. He referred to the table of contents in a 2005 Transportation Programs booklet presented by the Western Arizona Council of Governments. A few highlights include the regional population growth that was previously three to four percent population growth. Within the last year, that growth accelerated to five to six percent. Mohave County in 2005, will issue in excess 5,000 single family building permits in Kingman, Havasu, Bullhead and Mohave County. The per person household size in the County is 2.3 which equates to 12,000 to 13,000 people moving into Mohave County each year. The WACOG Transportation Improvement Program identifies projects in Kingman, Havasu, Mohave County, Parker, Quartzsite for construction. Only approximately \$1.2 million is able to be programmed per year which is distributed. With the safety movement in place, he hopes there is

dialogue with a slight increase in the construction funds for the COGS. Transit is a big business in western Arizona. A Transportation Summit was held in January. A joint major ADOT project within the WACOG region was included in the booklet.

Chip Davis, Supervisor, Yavapai County, noted that Sally Stuart and Dallas Hamlet have been working hard with citizens trying to get the issues regarding SR 260 resolved. There has been good public participation with Camp Verde and Cottonwood area residents with an average of 150 or more citizens at each of those monthly meetings. That is hoped to be resolved by November once consensus is reached on roadway designs. Folks are upset that the McGuireville Interchange on I-17 came out of the five year plan again. Another public meeting was held with a good turnout. Mr. Davis' plea is that we continue to access the district minor funds or retain the \$900,000 in right of way funds for incremental improvements. On 179, the public participation process is over and now moving toward the implementation and raising funds for the enhancement portion.

Dan Field, Quartzsite Town Manager and Attorney, apologized for Chuck Busby's absence due to a death in the family.

CONSENT AGENDA

There were no Items.

Director's Report

Director Victor Mendez briefed members on hearings held at the legislature in regard to the price of gas being so high and potential options being considered to help consumers reduce the impact. Mr. Mendez attended a meeting with industry experts to ascertain answers. One of the outcomes being considered by the legislature is a discussion surrounding the gas tax. This would reduce the amount of highway funds. There was a dialogue about how this affects bonds. Lumber prices and construction projects and their impact were discussed. Mr. Mendez discussed how the multiple modes approach benefits the State of Arizona.

Financial Report

John McGee provided summary reports on revenue collections for Highway User Revenues and Maricopa Transportation Excise Tax Revenues, comparing fiscal year results to last year's actuals and forecasts, and reported on interest earnings, HELP Fund status, and other financial information relative to the Board and Department. August 2005 HURF revenues totaled \$106.3 million, an increase of 8.7 percent over August 2004 and 2.4 percent above the estimate. Year-to-date collections total \$213.4 million, an increase of 8.3 percent over the same period last year and 2.6 percent above the estimate. All categories are showing good growth over last year and all categories except gas tax and use fuel, which was slightly under the estimate, are showing good results compared to the estimate. In terms of the gas tax and use fuel, its taxes that would have been collected on the fuel sales and fuel imports in state in the month of June and effects we may have seen as a result of hurricane Katrina and pricing will show up in November numbers. The July 2005 RARF collections totaled \$30.3 million, an increase of 17.9 percent above July 2004 and 8.4 percent over the estimate. There were very strong retail sales results and very, very strong contracting collections results. Preliminary numbers for August look like the strength continues. The Investment Report during the month of July indicates

earnings of \$1.836 million on investments for an average of 2.97 percent yield. The interest rate environment is good in terms of earnings and borrowing. The HELP fund balance for the month of August 2005 is \$88.917 million, a decrease of approximately \$9.1 million over last month.

Financing Program

Mr. McGee provided an update on financing issues affecting the Board and the Department, including HURF and RARF Bonding, GAN issuances and Board Funding Obligations. Work has begun on a HURF Bond Issue in accordance to the Board's direction to proceed with a resolution that was adopted. As indicated in the FY2006 financial plan, there is anticipated a need for approximately \$125 million of new money loan proceeds this fiscal year. It is anticipated sizing the Issue to yield approximately \$125 million of new money proceeds. There is approximately \$140 million of capacity remaining under the \$1.3 billion cap. Needs and the interest rate environment are being reviewed as to whether to borrow the last \$10 or \$15 million as part of this Issuance. Other outstanding HURF GAN are being reviewed for potential refunding opportunities. Based on where rates currently stand, there are approximately \$45 million of outstanding HURF Bonds that if combined with a new money Issuance, would yield a savings above the threshold of 4 percent level and that would generate approximately \$2.1 million of savings. There is an additional approximately \$42 million of debt outstanding that if rates were to decrease an additional 20 basis points over where they currently are, savings would reach above the 4 percent threshold. To leave maximum flexibility with respect to the upcoming Issue, they have sized the authorization presented in the next agenda Item at an amount not to exceed \$230 million. This would give the flexibility to issue approximately \$140 million of new money plus cover any potential refunding maturities that would have the potential of yielding the 4 percent threshold savings. Included in the packet is a schedule showing that based on anticipated actions today, there could be a position to potentially price the Issue as early as October 17. Because of the potential for refunding, flexibility to maximize the savings is preferred.

Resolution Authorizing Issuance of Highway Revenue Bonds – Series 2005B

Mr. McGee presented a Resolution authorizing the Board's anticipated issuance of Highway Revenue Bonds, Series 2005B in an amount not to exceed \$230,000,000. This Resolution supplements the original authorizing resolution adopted by the Board on May 1, 1980. This resolution is consistent in all material respects to past Highway Revenue Bond Resolutions and allows for the issuance of Bonds for both new money and refunding purposes. The adoption of this Resolution is recommended.

Board Action: A motion to approve the above recommendation was made by Mr. Schorr, seconded by Mr. Lane and passed unanimously.

Appointments of Underwriters – Highway Revenue Bonds – Series 2005B

Mr. McGee presented a Resolution recommending appointment of Underwriters for the Board's anticipated issuance of Highway Revenue Bonds, Series 2005B. The Resolution reads: Resolution of the State of Arizona Transportation Board appointing managing underwriters for its planned issuance Highway Revenue Bonds, Series 2005B. The Board hereby appoints the following firms to act as managing underwriters in connection with its planned issuance of Highway Revenue Bonds, Series 2005B. Bear, Stearns & Co., Inc., Senior Manager, 45%; Citigroup Global Markets Inc., Co-Manager, 25%; JP Morgan Securities Inc., Co-Manager, 10%; UBS Financial Services, Inc., Co-Manager, 10%; Stone and Youngberg, LLC, Co-Manager, 10%. The Board reserves the right to make changes in the management team designated above, if it deemed to be in the best interests of the state. Dated this 23rd

day of September, 2005. Mr. McGee explained that approximately three months ago, there was a new pool of investment bankers that was formed at a state level. The pool was expanded from nine or ten firms to seventeen firms and feels it is useful to include new firms. The adoption of this Resolution is recommended.

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Householder and passed unanimously.

HELP Loan

Mr. McGee presented a Resolution recommending approval of an application for Financial Assistance from, and Loan Repayment Agreement with, the City of Kingman for the following construction project: North Bank Street Reconstruction. The Loan request is for \$2 million with a five year maturity. The Loan will be used to reconstruct a one mile stretch of North Bank Street and will include curb, gutter, sidewalk, lighting and new pavement. The Loan request has been reviewed by both the Technical Advisory Committee and the HELP Advisory Committee and both have recommended approval of this Loan. The adoption of this Resolution is recommended. The Resolution was provided in the Board packet.

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Montoya and passed unanimously.

HELP Loan

Mr. McGee presented a Resolution recommending approval of an application for Financial Assistance from, and Loan Repayment Agreement with, the Town of Sahuarita for the following construction project: La Canada Phase II. This Loan would be for \$3.9 million with a one year maturity. It will allow the city to move the project up one year. The Loan proceeds will be used for road improvements including drainage and median improvements. This Loan request was reviewed by both the Technical Advisory Committee and the HELP Advisory Committee and both have recommended approval of this Loan. The adoption of this Resolution is recommended.

Board Action: A motion to approve the above recommendation was made by Mr. Schorr, seconded by Mr. Householder and passed unanimously.

***MINUTES – APPROVAL**

August 2, 2005 - Special Board Meeting Minutes
August 2, 2005 – Study Session Minutes
August 19, 2005 – Board Meeting Minutes

***2005 BOARD MEETING DATES AND LOCATIONS**

September 23, 2005	Board Meeting – Lake Havasu	9:00 a.m.
October 21, 2005	Board Meeting – Gilbert	9:00 a.m.
November 18, 2005	Board Meeting – Wickenburg	9:00 a.m.
December 16, 2005	Board Meeting – Tucson	9:00 a.m.

2005 STUDY SESSION DATES

October 4, 2005	Study Session – Phx	1:00 p.m.
November 1, 2005	Study Session – Phx.	1:00 p.m.
December 6, 2005	Study Session – Phx	1:00 p.m.

PRIORITY PLANNING ADVISORY COMMITTEE (PPAC) – Dale Buskirk

FY 2006 - 2010 Transportation Facilities Construction Program Requested Modifications

COUNTY:	Statewide
SCHEDULE:	FY 2005
TYPE OF WORK:	Rest Area Preservation
PROGRAM AMOUNT:	\$3,600,000
PROJECT MANAGER:	Leroy Brady
REQUESTED ACTION:	Transfer the used portion in the amount of \$2,400,000 to the FY 2006 Program Adjustment Fund #72306. The remaining funds have been obligated to rest area preservation projects. The JLBC has determined that maintenance contracts is inappropriate use of construction funds.

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Lane and passed unanimously.

ROUTE NO:	SR 195 @ MP 13.60
COUNTY:	Yuma
SCHEDULE:	FY 2006
SECTION:	Range Boundary - 12th Street
TYPE OF WORK:	Construct 4 lane divided highway
PROGRAM AMOUNT:	\$ 25,950,000
PROJECT MANAGER:	Mike Bruder
PROJECT:	H577405C Item # 12006
REQUESTED ACTION:	Reduce program amount by \$215,000 to \$25,735,000. Funds go to the FY 2006 Program Adjustment Fund #72306.
PROGRAM AMOUNT:	\$25,950,000
DECREASE AMOUNT:	\$215,000
NEW PROGRAM AMOUNT:	\$25,735,000

ROUTE NO:	SR 195 @ MP 26.00
COUNTY:	Yuma
SCHEDULE:	FY 2006
SECTION:	40 th Street - I8
TYPE OF WORK:	Construct roadway widening
PROGRAM AMOUNT:	\$ 5,546,000

PROJECT MANAGER: Mike Bruder
PROJECT: H577407C Item # 20704
REQUESTED Reduce program amount by \$215,000 to \$5,331,000.
ACTION: **Funds go to the FY 2006 Program Adjustment Fund #72306.**

PROGRAM AMOUNT: \$5,546,000
DECREASE AMOUNT: \$215,000
NEW PROGRAM AMOUNT: \$5,331,000

ROUTE NO: SR 195 @ MP 25.00
COUNTY: Yuma
SCHEDULE: FY 2006
SECTION: A Canal Box Culvert
TYPE OF WORK: Construct box culvert
PROGRAM AMOUNT: \$ 1,380,000
PROJECT MANAGER: Mike Bruder
PROJECT: H577410C Item # 22804
REQUESTED Increase program amount by \$430,000 to
ACTION: \$1,810,000. **Funds available from the FY 2006 Program Adjustment Fund #72306.**

PROGRAM AMOUNT: \$1,380,000
INCREASE AMOUNT: \$430,000
NEW PROGRAM AMOUNT: \$1,810,000

Board Action: A motion to approve Items 12, 13 and 14 was made by Mr. Hileman, seconded by Mr. Householder and passed unanimously.

ROUTE NO: SR 101 L @ MP 13.00
COUNTY: Maricopa
SCHEDULE: FY 2006 - New Project Request
SECTION: Skunk Creek - Union Hills
TYPE OF WORK: Construct auxillary lanes
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Ron McCally
PROJECT: H619002C
REQUESTED Establish a new district minor program in the
ACTION: amount of \$2,000,000 in the FY 2006 Highway Construction Program. **Funds available from the Phoenix Construction District Minor Fund #73306.**

NEW PROGRAM AMOUNT: \$2,000,000

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Montoya and passed unanimously.

ROUTE NO: US 191 @ MP 355.00
COUNTY: Apache

SCHEDULE: FY 2006
SECTION: MP 355 - MP 356 (Hardscrabble Rd)
TYPE OF WORK: Reconstruct roadway and drainage
PROGRAM AMOUNT: \$ 950,000
PROJECT MANAGER: Joe Phillips
PROJECT: H541201C Item # 23303
REQUESTED ACTION: Increase program amount by \$350,000 to \$1,300,000 due to material and unit cost updates. **Funds available from the Holbrook District Minor Fund #73306.**

PROGRAM AMOUNT: \$950,000
INCREASE AMOUNT: \$350,000
NEW PROGRAM AMOUNT: \$1,300,000

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Hileman and passed unanimously.

COUNTY: Statewide
SCHEDULE: FY 2006 - New Project Request
SECTION: Statewide VMS Phase 6
TYPE OF WORK: Construct variable message signs
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Debra Bieber Barker
PROJECT: H660801C
REQUESTED ACTION: Establish a new rural Variable Message Sign (VMS) project in the amount of \$1,450,000 in the FY 2006 Highway Construction Program. **Funds available from the FY 2006 Rural ITS Fund #76606.**
NEW PROGRAM AMOUNT: \$1,450,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Householder and passed unanimously.

ROUTE NO: US 60 @ MP 147.20
COUNTY: Maricopa
SCHEDULE: FY 2006 - New Project Request
SECTION: Agua Fria River – New River
TYPE OF WORK: Older driver Program
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Kohinoor Kar / Micheal Marietti
PROJECT: H648601C
REQUESTED ACTION: Establish a new Older Driver Safety project in the amount of \$410,000 in the FY 2006 Highway Construction Program. **Funds available from the FY 2006 Title II Safety Fund #72806.**
NEW PROGRAM AMOUNT: \$410,000

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Schorr and passed unanimously.

ROUTE NO: US 89 @ MP 523.50
COUNTY: Coconino
SCHEDULE: FY 2006
SECTION: Jct. SR 89A North
TYPE OF WORK: Pavement Preservation
PROGRAM AMOUNT: \$ 2,545,000
PROJECT MANAGER: Rod Collins
PROJECT: H584001C Item # 19706
REQUESTED ACTION: Increase program amount by \$1,000,000 to \$3,545,000 and defer project to FY 2007. **FY 2006 funds return to the FY 2006 Pavement Preservation Fund #72506. New funds in the amount of \$ 3,545,000 are available from the FY 2007 Pavement Preservation Fund #72507.**

PROGRAM AMOUNT: \$2,545,000
INCREASE AMOUNT: \$1,000,000
NEW PROGRAM AMOUNT: \$3,545,000

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Hileman and passed unanimously.

ROUTE NO: SR 66 @ MP 56.50
COUNTY: Mohave
SCHEDULE: FY 2006
SECTION: Andy Devine TI
TYPE OF WORK: Pavement Preservation
PROGRAM AMOUNT: \$ 1,871,000
PROJECT MANAGER: Ken Akoh-Arrey
PROJECT: H614201C Item # 19406
REQUESTED ACTION: Increase program amount by \$1,529,000 to \$3,400,000 due to material and unit cost updates. **Funds available from the FY 2006 Pavement Preservation Fund #72506.**

PROGRAM AMOUNT: \$1,871,000
INCREASE AMOUNT: \$1,529,000
NEW PROGRAM AMOUNT: \$3,400,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Montoya and passed unanimously.

COUNTY: Statewide
SCHEDULE: FY 2006 - New Project Request
SECTION: Statewide - Special Guardrail Program
TYPE OF WORK: Replace blunt end guardrail (Prescott, Flagstaff and

Globe districts)
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Steve Mishler
PROJECT: H650801C
REQUESTED ACTION: Establish a new safety project in the amount of \$1,500,000 in the FY 2006 Highway Construction Program. **Funds available from the FY 2006 Title II Safety Fund #72806.**
NEW PROGRAM AMOUNT: \$1,500,000

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Martin and passed unanimously.

ROUTE NO: SR 95 @ MP 234.63
COUNTY: Mohave
SCHEDULE: FY 2006 - New Project Request
SECTION: River Palms Storage Condos
TYPE OF WORK: Construct left turn lane and relocate entrance
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Athony Martinez / Lynn Sugiyama
PROJECT: H685701C
REQUESTED ACTION: Establish a new district minor project in the amount of \$110,000 in the FY 2006 Highway Construction Program. Developer to construct project. **Funds available from the Kingman District Minor Fund #73306.**
NEW PROGRAM AMOUNT: \$110,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Montoya and passed unanimously.

ROUTE NO: Various
COUNTY: Pima
SCHEDULE: FY 2006 - New Project Request
SECTION: Tucson District
TYPE OF WORK: Sight distance improvements
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Mike Marietti / Reza Karimvand
PROJECT: H679401C
REQUESTED ACTION: Establish a new safety project in the amount of \$70,000 in the FY 2006 Highway Construction Program. **Funds available from the FY 2006 Title II Safety Fund #72806.**
NEW PROGRAM AMOUNT: \$70,000

Board Action: A motion to approve the above recommendation was made by Mr. Schorr, seconded by Mr. Householder and passed unanimously.

FY 2006 - 2010 Airport Development Program Requested Modifications – Kim Stevens

AIRPORT NAME: Kingman Airport
SPONSOR: City of Kingman
AIRPORT CATEGORY: Commercial Service
SCHEDULE: FY 2006 - 2010
PROJECT #: E6F47
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Ed Suserud
PROJECT DESCRIPTION: Acquire Aircraft Rescue & Fire Fighting (ARFF) Vehicle; Construct Aircraft Rescue & Fire Fighting (ARFF) Building; Improve Terminal Building Phase 1 (Design Only)
REQUESTED ACTION: Approve state matching funds to FAA Grant #3-04-0021-15.

FUNDING SOURCES:	FAA	\$783,750
	Sponsor	\$20,625
	State	\$20,626
	<i>Total Program</i>	\$825,001

AIRPORT NAME: Williams Gateway Airport
SPONSOR: Williams Gateway Airport Authority
AIRPORT CATEGORY: Reliever
SCHEDULE: FY 2003– 2007
PROJECT #: E2F22
PROGRAM AMOUNT: Project Change Request
PROJECT MANAGER: Tammy Martelle
PROJECT DESCRIPTION: Construct/Rehab. Cargo Apron, Phase 3 (40,000 SY)
REQUESTED ACTION: Approve state matching funds to FAA Grant #3-04-0078-09, Amendment No 2 (\$20,509 increase).

FUNDING SOURCES:	FAA	\$4,060,188
	Sponsor	\$199,309
	State	\$199,309
	<i>Total Program</i>	\$4,458,806

Board Action: A motion to approve Items 24 and 25 was made by Mr. Hileman, seconded by Mr. Lane and passed unanimously.

AIRPORT NAME: Chandler Municipal Airport
SPONSOR: City of Chandler
AIRPORT CATEGORY: Reliever
SCHEDULE: FY 2006 – 2010

PROJECT #:	E5S64
PROGRAM AMOUNT:	Project Change Request
PROJECT MANAGER:	Tammy Martelle
PROJECT DESCRIPTION:	Update Master Plan
REQUESTED ACTION:	Approve Amendment for Update Master Plan to include Economic Analysis. (\$22,590 increased.)

FUNDING SOURCES:	FAA	\$0
	Sponsor	\$21,010
	State	\$189,090
	<i>Total Program</i>	\$210,100

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Montoya and passed unanimously.

- *
 - Priority Planning Advisory Committee (PPAC) Minutes
 - Meeting of August 3, 2005
 - Summary of Changes to the FY 05 – 09 Highway Construction Program
 - Highway Program Monitoring Report.

- *

Next regular scheduled meetings of the Priority Planning Advisory Committee (PPAC). Times and dates of meetings could vary and will be announced at time of agenda distribution.

 - October 5, 2005 10:00 AM
 - November 2, 2005 10:00 AM
 - January 3, 2006 10:00 AM

<http://ADOTPPAC.ORG/>

RIGHT OF WAY RESOLUTIONS

- *

RES. NO:	2005-09-A-046
PROJECT:	S-089-A-701 / 089YV279H549901R
HIGHWAY:	WICKENBURG - PRESCOTT
SECTION:	Yarnell – Peebles Valley Yard
ROUTE NO.:	State Route 89
ENG. DIST:	Prescott
COUNTY:	Yavapai
RECOMMENDATION:	Establish additional right of way as a state route for box culvert improvements

*	RES. NO: PROJECT: HIGHWAY: SECTION: ROUTE NO.: ENG. DIST: COUNTY: RECOMMENDATION:	2005-09-A-047 U-089-C-700 / 089CN426H653101R FLAGSTAFF - CAMERON Forest Service Boundary – Lenox Park U.S. Route 89 Flagstaff Coconino Rescission of Resolution 2005-02-A-013 due to lack of funding
*	RES. NO: PROJECT: HIGHWAY: SECTION: ROUTE NO.: ENG. DIST: COUNTY: RECOMMENDATION:	2005-09-A-048 I-010-D-802 / 010PM254H624101R CASA GRANDE - TUCSON Prince Road–Grant Road T.I.'s (Grant Road T.I.) Interstate Route 10 Tucson Pima Establish additional right of way as a state highway for widening improvements to enhance safety for the traveling public
*	RES. NO: PROJECT: HIGHWAY: SECTION: ROUTE NO.: ENG. DIST: COUNTY: RECOMMENDATION:	2005-09-A-049 I-010-D-801 / 010PM257H620201R CASA GRANDE - TUCSON Speedway Blvd. Pipe Extension Interstate Route 10 Tucson Pima Establish additional right of way as a state highway for widening improvements
*	RES. NO: PROJECT: HIGHWAY: SECTION: ROUTE NO.: ENG. DIST: COUNTY: RECOMMENDATION:	2005-09-A-052 S-087-C-701 / 087NA341H615701R PAYSON - WINSLOW Ruby Channel Bridge State Route 87 Holbrook Navajo Establish additional right of way as a state route for drainage improvements and bridge replacement
*	RES. NO: PROJECT: HIGHWAY: SECTION: ROUTE NO.: ENG. DIST: COUNTY: DISPOSAL: RECOMMENDATION:	2005-09-A-053 I-8-1(41)6 / 008YU000H088801R YUMA – CASA GRANDE Araby Section Interstate Route 8 Yuma Yuma D-Y-032 Disposal by Abandonment to the City of Yuma per Intergovernmental Agreement #04-046, dated March 10, 2005

STATE ENGINEER'S REPORT

Sam Elters, State Engineer, reported on construction and projects completed in August 2005. During August, the Department finalized 16 projects valued at nearly \$40 million. Year to date, 25 projects were finalized. Talking with counterparts in California, they are seeing fewer bids on projects as well.

*Right of Way Acquisition Report for August, 2005

CONSTRUCTION CONTRACTS

Interstate Non-Federal Projects

BIDS OPENED:	August 12
HIGHWAY:	NOGALES-TUCSON HIGHWAY (I-19)
SECTION:	Continental T.I. Drainage Structure #6603
COUNTY:	Pima
ROUTE NO.:	I-19
PROJECT:	I-019-A-505 019 PM 039 H611301C
FUNDING:	100% State
LOW BIDDER:	Silver Eagle Western LLC
AMOUNT:	\$ 318,600.00
STATE AMOUNT:	\$ 162,775.00
\$ OVER:	\$ 155,825.00
% OVER:	95.7%
NO. BIDDERS:	2
RECOMMENDATION:	REJECT ALL BIDS

Board Action: A motion to approve the above recommendation was made by Mr. Schorr, seconded by Mr. Lane and passed unanimously.

Interstate Federal-Aid (projects do not need FHWA concurrence, but must comply with DBE regulations)

BIDS OPENED:	August 12
HIGHWAY:	BENSON-STEINS PASS HIGHWAY (I-10)
SECTION:	Fort Grant T.I.
COUNTY:	Cochise
ROUTE NO.:	I-10
PROJECT:	IM-TEA-010-F(002)B 010 CH 340 H545501C
FUNDING:	94% Federal 6% State
LOW BIDDER:	Granite Construction Company
AMOUNT:	\$ 16,276,276.00
STATE AMOUNT:	\$ 11,987,458.00
\$ OVER:	\$ 4,288,818.00
% OVER:	35.8%
NO. BIDDERS:	3

RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Montoya and passed unanimously. Mr. Schorr and Mr. Martin recused themselves from this Item.

BIDS OPENED: August 26
HIGHWAY: MESQUITE-LITTLEFIELD-NORTH HIGHWAY
SECTION: Mesquite-Black Rock
COUNTY: Mohave
ROUTE NO.: I-15
PROJECT: IM-015-A(005)A 015 MO 000 H577901C
FUNDING: 94% Federal 6% State
LOW BIDDER: Cactus Transport, Inc.
AMOUNT: \$ 812,014.55
STATE AMOUNT: \$ 705,499.00
\$ OVER: \$ 106,515.55
% OVER: 15.1%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Lane and passed unanimously.

(Non-Interstate Federal-Aid ("A" "B" projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

BIDS OPENED: September 1
HIGHWAY: SUPERSTITION FREEWAY (US 60)
SECTION: Gilbert Road – Power Road
COUNTY: Maricopa
ROUTE NO.: US 60
PROJECT: STP-060-C(013)B 060 MA 182 H664901C
FUNDING: 88% Federal 12% RARF
LOW BIDDER: FNF Construction, Inc.
AMOUNT: \$ 73,704,905.30
STATE AMOUNT: \$ 59,771,000.00
\$ OVER: \$ 13,933,905.30
% OVER: 23.3%
NO. BIDDERS: 2
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Hileman and passed unanimously. Mr. Schorr recused himself from this Item.

BIDS OPENED: August 12
 HIGHWAY: TUCSON-ORACLE JUNCTION-GLOBE HIGHWAY
 SECTION: Milepost 141.4 and 144.6
 COUNTY: Gila
 ROUTE NO.: SR 77
 PROJECT: BLM-077-A(011)A 077 GI 141 H645101C
 FUNDING: 100% Federal (BLM)
 LOW BIDDER: Silver Eagle Western LLC
 AMOUNT: \$ 425,000.00
 STATE AMOUNT: \$ 359,110.00
 \$ OVER: \$ 65,890.00
 % OVER: 18.3%
 NO. BIDDERS: 2
 RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Householder, seconded by Mr. Hileman and passed unanimously.

BIDS OPENED: September 1
 HIGHWAY: WICKENBURG-KINGMAN HIGHWAY (US 93)
 SECTION: Cottonwood Canyon – Bridle Creek Section
 COUNTY: Yavapai
 ROUTE NO.: US 93
 PROJECT: NH-093-B(002)B 093 YV 156 H554401C
 FUNDING: 94% Federal 6% State
 LOW BIDDER: Fisher Sand & Gravel Co DBA
 Southwest Asphalt Paving
 AMOUNT: \$ 25,471,633.40
 STATE AMOUNT: \$ 22,800,840.00
 \$ OVER: \$ 2,670,793.40
 % OVER: 11.7%
 NO. BIDDERS: 3
 RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Montoya and passed unanimously.

* BIDS OPENED: August 26
 HIGHWAY: QUARTZSITE-PARKER-TOPOCK HIGHWAY (SR 95)
 SECTION: SR 95 at SR 72
 COUNTY: La Paz
 ROUTE NO.: SR 95
 PROJECT: HES-095-C(008)A 095 LA 131 HX15801C
 FUNDING: 94% Federal 6 % State
 LOW BIDDER: Jensen Commercial Contracting LLC
 AMOUNT: \$ 200,085.10
 STATE AMOUNT: \$ 191,824.00

\$ OVER: \$ 8,261.10
% OVER: 4.3%
NO. BIDDERS: 2
RECOMMENDATION: AWARD

BIDS OPENED: August 26
HIGHWAY: KAYENTA-UTAH STATE LINE HIGHWAY (US 163)
SECTION: Laguna Wash Pedestrian Bridge #2669
COUNTY: Navajo
ROUTE NO.: US 163
PROJECT: TEA-163-A(006)A 163 NA 396 H603101C
FUNDING: 94% Federal 6% State
LOW BIDDER: Vastco, Inc.
AMOUNT: \$ 1,784,752.00
STATE AMOUNT: \$ 1,323,948.75
\$ OVER: \$ 460,803.25
% OVER: 34.8%
NO. BIDDERS: 3
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Montoya, seconded by Mr. Householder and passed unanimously.

Non-Interstate Non-Federal Aid

* BIDS OPENED: September 1
HIGHWAY: SANTAN FREEWAY, 202L
SECTION: Arizona Avenue to Gilbert Road
COUNTY: Maricopa
ROUTE NO.: SR 202L
PROJECT: RAM-202-C-515 202L MA 044 H538103C
FUNDING: 95% RARF 5% City of Chandler
LOW BIDDER: M. Anderson Construction Corp
AMOUNT: \$ 2,497,525.43
STATE AMOUNT: \$ 2,372,214.00
\$ OVER: \$ 125,311.43
% OVER: 5.3%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

BIDS OPENED: August 12
HIGHWAY: VMS STATE HIGHWAY PHASE 5B
SECTION: VMS Statewide Phase 5B
COUNTY: Statewide
ROUTE NO.: 999
PROJECT: N-900-0-586 999 SW 000 H517407C
FUNDING: 100% State

LOW BIDDER:	C S Construction, Inc.
AMOUNT:	\$ 891,807.00
STATE AMOUNT:	\$ 596,127.00
\$ OVER:	\$ 295,680.00
% OVER:	49.6%
NO. BIDDERS:	2
RECOMMENDATION:	REJECT ALL BIDS

Board Action: A motion to approve the above recommendation was made by Mr. Schorr, seconded by Mr. Martin and passed unanimously.

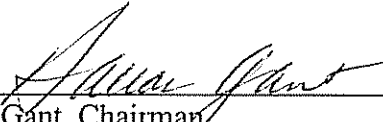
CONSENT AGENDA

Board Action: A motion to approve the Consent Agenda was made by Mr. Hileman, seconded by Mr. Martin and passed unanimously.

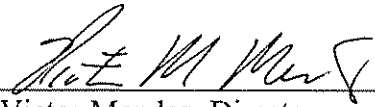
ADJOURN

Board Action: A motion to adjourn was made by Mr. Householder, seconded by Mr. Montoya and passed unanimously.

The meeting adjourned at 11:30 a.m.



Dallas Gant, Chairman
State Transportation Department



Victor Mendez, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.